

Michael O. Leavitt Governor Kathleen Clarke **Executive Director** 

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May 23, 2002

Glen Allred **Red Cedar Corporation** Star Route 705 Trout Creek, UT 84083

George Douglass Deep Creek Mountains Ranch Callao Star Route, Box 380 Wendover, UT 84083

## Gentlemen:

Yesterday I had a conversation with Jim White. Jim told me that he would be able to continue as the commissioner for the Granite Creek Distribution System and that he would take water measurement readings each time that he was in the area. The readings will be taken at the following locations:

> Staff gage in hydro-power plant on Granite Creek Staff gage at the discharge on Red Cedar Creek pipeline into Allred's pond. Douglass' water meters

Jim also agreed to send me those readings by e-mail each time that he took them.

There are a couple of items that need to be taken care of so that the commissioner can make the measurements. Jim said that he does not have a key to the hydro-power plant. Glenn, would you please make certain that he gets a key to the power plant and that staff gages are in place both at the power plant and on the Red Cedar Creek pipeline. George, would you please make certain that your water meters are operating correctly and that Jim has the proper factors for reading the meters correctly. Would you both please notify me when you have completed these items. information can be e-mailed to me if that would be more convenient for you. My e-mail address is LEESIM@UTAH.GOV

There is another issue that we failed to discuss at the meeting at Allred's Reservoir on April 18th. I am sure that you are aware of the revenue shortfalls that have been reported by the State of Utah. As a result, the Division of Water Rights budget has been cut considerably this past year and it appears the cuts will continue for the next few years at least. The Division of Water Rights has no

program funds that can be cut, our budget is almost entirely devoted to staff salaries. So far, we have been able to handle the budget cuts by attrition and by not filling some open positions. However, at some point it may be necessary to reduce staff which would seriously affect our ability to carry out the responsibilities that have been mandated to us by statute. There are several efforts that the division is making to avoid this possibility and one of those involves the state's distribution systems.

We have decided that we will have to start assessing the distribution systems for some of the administrative services performed by division staff which have been provided in the past at no cost. Section 73-5-1 Utah Code Annotated provides that the state engineer shall assess the water users for the salary and expenses of the commissioner and any other expenses that the state engineer feels are necessary.

There is no commissioner salary or expenses associated with the Granite Creek Distribution System and as a result no assessments have been levied. However, our staff does the calculations and prepares the flow report based on the data collected from the aquapods, so there will now be an assessment for that work. The assessment for this work for this year will be \$250.00; this amount may be adjusted in the future. According to the court stipulation, these costs are to be paid by the Douglasses, so the assessment will be sent to them in the next week or so.

I hope this information will be helpful. If you have any questions please contact me at the e-mail address listed above or at (801)538-7380.

Sincerely,

Lee H. Sim. P.E.

Assistant State Engineer for Distribution

cc (by e-mail):

Jim White, Commissioner John Mann, Regional Engineer